

RECULATION ASTH.

BellSouth Telecommunications, Inc. 333 Commerce Street, Suite 2101 Nashville, TN 37201-3300

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July 18, 2001 07. 615 214 630 1.1

VIA HAND DELIVERY

David Waddell, Executive Secretary Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37238

Re: Petition of MCI WorldCom to Enforce Interconnection Agreement with

BellSouth Telecommunications, Inc.

Docket No. 01-00513

Dear Mr. Waddell:

Enclosed are the original and thirteen copies of the Answer of BellSouth. Copies of the enclosed are being provided to counsel for MCI WorldCom.

Very truly yours,

Guy M. Hicks

GMH:ch Enclosure

BEFORE THE TENNESSEE REGULATORY AUTHORITY Nashville, Tennessee

In Re:

Petition of MCI WorldCom to Enforce Interconnection Agreement with BellSouth Telecommunications, Inc.

Docket No. 01-00513

ANSWER OF BELLSOUTH TELECOMMUNICATIONS, INC.

BellSouth Telecommunications, Inc. ("BellSouth") files its Answer to the Petition of MCI WorldCom, Inc. ("MCI"), and says:

INTRODUCTION

On June 16, 1999, Brooks Fiber Communications of Tennessee, Inc. ("Brooks Fiber") opted into an Interconnection Agreement between BellSouth and McImetro Access Transmission Services, Inc. ("McImetro") pursuant to the opt-in provisions of §252(i) of the Telecommunications Act of 1996 ("1996 Act"). The Tennessee Regulatory Authority ("Authority") approved the Brooks Fiber¹ opt-in Interconnection Agreement (hereafter referenced as the "MCI Agreement") on August 21, 2000. The MCI Agreement expired on April 3, 2000.

In its Petition, MCI seeks a ruling that dial-up access to the Internet through an Internet Service Provider ("ISP-bound traffic") should qualify for reciprocal compensation under the terms of the MCI Agreement. The

Authority should deny MCI's claim for relief for three reasons: (1) ISP-bound traffic is interstate information access traffic that does not qualify for reciprocal compensation under the terms of the MCI Agreement; and, (2) at the time Brooks Fiber opted into the MCImetro Interconnection Agreement, Brooks Fiber was well aware of BellSouth's position that reciprocal compensation was not due for ISP-bound traffic under the terms of the MCImetro Interconnection Agreement; (3) at the time Brooks Fiber opted into the MCImetro Interconnection Agreement, the law of the land was clear that ISP-bound traffic does not originate and terminate in the same local calling area, a prerequisite to entitlement to reciprocal compensation under the terms of the MCI Agreement; and (4) the Authority no longer has subject matter jurisdiction over compensation for ISP-bound traffic, which limits the Authority's ability to render a decision in this matter.

MCImetro Interconnection Brooks Fiber adopted the Clearly, Agreement simply to circumvent negotiating with BellSouth on the reciprocal BellSouth's standard reciprocal avoid issue and to compensation compensation language. At the time it executed the MCI Agreement, Brooks Fiber clearly understood that BellSouth was not agreeing, and had not agreed, to pay reciprocal compensation for ISP-bound traffic. For these reasons, MCI is not entitled to the relief it seeks and the Authority should dismiss MCI's Petition.

¹ According to the Petition, Brooks Fiber is an affiliate of MCI.

SPECIFIC RESPONSE TO ALLEGATIONS

BellSouth responds to the allegations in MCI's Petition as follows:

INTRODUCTION

1. To the extent a response is required to the Introduction, the Authority's decisions and Interconnection Agreement provisions cited by MCI speak for themselves. BellSouth admits that the referenced Interconnection Agreements were executed and approved on the dates indicated in the Introduction. BellSouth denies the remaining allegations in the Introduction.

JURISDICTION

- 2. No response is required to paragraph 1 of the Petition. However, the MCI Agreement at issue in this proceeding was negotiated, executed and approved in accordance with the provisions of the 1996 Act. Thus, any interpretation of the MCI Agreement must be consistent with federal law.
- 3. The legal authority cited by MCI in paragraph 2 of the Petition speaks for itself. BellSouth denies the remaining allegations in paragraph 2 of the Petition.
- 4. The legal authority cited by MCI in paragraph 3 of the Petition speaks for itself. BellSouth denies the remaining allegations in paragraph 3 of the Petition.
- BellSouth admits that the Authority approved the MCI
 Agreement. The legal authority cited by MCI in paragraph 4 of the Petition

speaks for itself. Further, BellSouth admits that the Authority has general jurisdiction to interpret and enforce interconnection agreements that have been approved by the Authority. However, to the extent that the Federal Communications Commission ("FCC") has preempted jurisdiction in the area of reciprocal compensation for ISP-bound traffic, the Authority's jurisdiction is limited. BellSouth denies the remaining allegations in paragraph 4 of the Petition.

THE PARTIES

- 6. BellSouth is without knowledge as to whether MCI is certificated to provide local exchange telephone service in Tennessee. No response is required to the remaining allegations in paragraph 5 of the Petition.
 - 7. BellSouth admits the allegations of paragraph 6 of the Petition.

THE INTERCONNECTION AGREEMENT

8. BellSouth admits that the MCI Agreement provides for the payment of reciprocal compensation for the termination of "Local Traffic", as defined in the MCI Agreement. To be classified as "Local Traffic" under the terms of the MCI Agreement (and therefore eligible for reciprocal compensation), a call must originate and terminate in the same local calling area. Based on two FCC decisions, one of which was in full force and effect at the time the MCI Agreement was executed, ISP-bound traffic is interstate traffic that does not terminate in the same local calling area in which it

originates. Therefore, as a matter of law, ISP-bound traffic does not fall within the definition of "Local Traffic" as set forth in the MCI Agreement. The cited provisions of the MCI Agreement in paragraphs 7, 7a, 7b and 7c speak for themselves. The BellSouth denies the remaining allegations in paragraphs 7, 7a, 7b and 7c of the Petition.

REQUESTED RELIEF

- 9. BellSouth denies that MCI is entitled to any of the relief sought in the prayer or elsewhere in the Petition. BellSouth denies the allegations in paragraph 8 of the Petition.
 - 10. Any allegation not specifically admitted herein is denied.

WHEREFORE, BellSouth respectfully requests that the Authority deny the relief requested by MCI and dismiss MCI's Petition with prejudice.

Respectfully submitted this 18th day of July 2001.

BELLSOUTH TELECOMMUNICATIONS, INC.

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CERTIFICATE OF SERVICE

I hereby certify that on July 18, 2001, a copy of the foregoing document was served on the parties of record, via the method indicated:	
[] Hand	Henry Walker, Esquire
Mail	Boult, Cummings, et al.
[] Facsimile	P. O. Box 198062
[] Overnight	Nashville, TN 37219-8062